

**THE DEBTORS' TWO HUNDRED AND SEVENTH OMNIBUS
OBJECTION TO CLAIMS SEEKS TO RECLASSIFY AS EQUITY
CERTAIN FILED PROOFS OF CLAIM. PARTIES RECEIVING THIS
NOTICE SHOULD REVIEW THE OMNIBUS OBJECTION TO SEE IF
THEIR NAME(S) AND/OR CLAIM(S) ARE LOCATED IN THE OMNIBUS
OBJECTION AND/OR IN THE EXHIBIT ATTACHED THERETO TO
DETERMINE WHETHER THIS OBJECTION AFFECTS THEIR
CLAIM(S).**

**IF YOU HAVE QUESTIONS, PLEASE CONTACT
DEBTORS' COUNSEL, JENNIFER N. GANESH, AT (212)-310-8644.**

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Robert J. Lemons

Attorneys for Debtors
and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X	
In re	: Chapter 11 Case No.
	:
LEHMAN BROTHERS HOLDINGS INC., <i>et al.</i> ,	: 08-13555 (JMP)
	:
Debtors.	: (Jointly Administered)
-----X	

**NOTICE OF HEARING ON DEBTORS'
TWO HUNDRED AND SEVENTH OMNIBUS OBJECTION TO
CLAIMS (TO RECLASSIFY PROOFS OF CLAIM AS EQUITY INTERESTS)**

PLEASE TAKE NOTICE that on September 15, 2011, Lehman Brothers Holdings Inc. ("LBHI") and its affiliated debtors in the above-referenced chapter 11 cases, as debtors in possession (collectively, the "Debtors"), filed their two hundred and seventh omnibus

objection to claims (the “Two Hundred and Seventh Omnibus Objection to Claims”), and that a hearing (the “Hearing”) to consider the Two Hundred and Seventh Omnibus Objection to Claims will be held before the Honorable James M. Peck, United States Bankruptcy Judge, in Courtroom 601 of the United States Bankruptcy Court for the Southern District of New York, One Bowling Green, New York, New York 10004, on **November 30, 2011 at 10:00 AM (prevailing Eastern Time)**, or as soon thereafter as counsel may be heard.

PLEASE TAKE FURTHER NOTICE that due and proper notice of this Two Hundred and Seventh Omnibus Objection to Claims has been provided to all claimants listed on Exhibit A to the objection.

PLEASE TAKE FURTHER NOTICE that any responses to the Two Hundred and Seventh Omnibus Objection to Claims must be in writing, shall conform to the Federal Rules of Bankruptcy Procedure and the Local Rules of the Bankruptcy Court, and shall be filed with the Bankruptcy Court (a) electronically in accordance with General Order M-399 (which can be found at www.nysb.uscourts.gov) by registered users of the Bankruptcy Court’s filing system, and (b) by all other parties in interest, on a 3.5 inch disk, preferably in Portable Document Format (PDF), WordPerfect, or any other Windows-based word processing format (with a hard copy delivered directly to Chambers), in accordance with General Order M-182 (which can be found at www.nysb.uscourts.gov), and served in accordance with General Order M-399, and on (i) the chambers of the Honorable James M. Peck, One Bowling Green, New York, New York 10004, Courtroom 601; (ii) attorneys for the Debtors, Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153 (Attn: Robert J. Lemons, Esq. and Mark Bernstein, Esq.); (iii) the Office of the United States Trustee for Region 2, 33 Whitehall Street, 21st Floor, New York, New York 10004 (Attn: Tracy Hope Davis, Esq., Elisabetta Gasparini, Esq. and Andrea B.

Schwartz, Esq.); and (iv) attorneys for the official committee of unsecured creditors appointed in these cases, Milbank, Tweed, Hadley & McCloy LLP, 1 Chase Manhattan Plaza, New York, New York 10005 (Attn: Dennis F. Dunne, Esq., Dennis O'Donnell, Esq. and Evan Fleck, Esq.); so as to be so filed and received by no later than **November 11, 2011 at 4:00 PM (prevailing Eastern Time)** (the "Response Deadline").

PLEASE TAKE FURTHER NOTICE that if no responses are timely filed and served with respect to the Two Hundred and Seventh Omnibus Objection to Claims or any claim set forth thereon, the Debtors may, on or after the Response Deadline, submit to the Bankruptcy Court an order substantially in the form of the proposed order annexed to the Two Hundred and Seventh Omnibus Objection to Claims, which order may be entered with no further notice or opportunity to be heard offered to any party.

Dated: September 15, 2011
New York, New York

/s/ Robert J. Lemons
Robert J. Lemons

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re	: Chapter 11 Case No.
	:
LEHMAN BROTHERS HOLDINGS INC., et al.,	: 08-13555 (JMP)
	:
Debtors.	: (Jointly Administered)
-----X	

**DEBTORS' TWO HUNDRED
AND SEVENTH OMNIBUS OBJECTION TO CLAIMS
(TO RECLASSIFY PROOFS OF CLAIM AS EQUITY INTERESTS)**

**THIS OBJECTION SEEKS TO RECLASSIFY
AS EQUITY CERTAIN FILED PROOFS OF CLAIM.
PARTIES RECEIVING THIS TWO HUNDRED AND SEVENTH
OMNIBUS OBJECTION TO CLAIMS SHOULD REVIEW
THE OMNIBUS OBJECTION TO SEE IF THEIR NAME(S)
AND/OR CLAIM(S) ARE LOCATED IN THE OMNIBUS OBJECTION
AND/OR IN THE EXHIBIT ATTACHED THERETO TO DETERMINE
WHETHER THIS OBJECTION AFFECTS THEIR CLAIM(S).**

**IF YOU HAVE QUESTIONS, PLEASE CONTACT
DEBTORS' COUNSEL, JENNIFER N. GANESH, AT 212-310-8644.**

TO THE HONORABLE JAMES M. PECK
UNITED STATES BANKRUPTCY JUDGE:

Lehman Brothers Holdings Inc. (“LBHI”) and its affiliated debtors, as debtors and debtors in possession (together, the “Debtors”), respectfully represent:

Relief Requested

1. The commencement of the Debtors’ chapter 11 cases has impacted parties in interest around the globe, including the Debtors’ prepetition counterparties, customers, and investors. Prepetition employees of the Debtors and their affiliates have, most certainly, also been affected. The Debtors attempted to minimize the impact on employees by, among other things, preserving more than 10,000 jobs through various asset sales and by transferring funds to establish a health care trust to backstop certain medical benefits. Unfortunately, as a result of the dramatic collapse of the Lehman empire, employees, like investors, could not be made whole for all of their damages and the nature of some of their compensation – in the form of restricted stock units or contingent stock awards – requires that their recovery be subordinated to claims against the Debtors. The law permits no other outcome.

2. The proofs of claim listed on Exhibit A annexed hereto (collectively, the “Compensation Claims”) were filed by current and/or former employees of the Debtors and/or their affiliates on the basis of either restricted stock units, contingent stock awards, stock options, or other equity-related compensation (together, the “Equity Awards”). The Equity Awards were compensation awards which, among other things, provided the employee with the right to shares of LBHI common stock on a future date upon the satisfaction of certain conditions. Certain of the Equity Awards were distributed or vested, while others were not distributed or unvested.

3. The ownership of the Equity Awards constitutes an equity interest in a Debtor, but does not constitute a claim against a Debtor’s estate as such term is defined in

section 101 of title 11 of the United States Code (the “Bankruptcy Code”). Accordingly, the Debtors file this omnibus objection, in accordance with Rule 3007(d) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and this Court’s order approving procedures for the filing of omnibus objections to proofs of claim (the “Procedures Order”) [Docket No. 6664] to reclassify the Compensation Claims as equity interests. To the extent that insufficient documentation was attached to any of the claims listed on Exhibit A, the Debtors consulted their books and records and were able to identify such claims as Compensation Claims asserted pursuant to the Equity Awards.

Jurisdiction

4. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b).

Background

5. Commencing on September 15, 2008, and periodically thereafter, LBHI and certain of its subsidiaries commenced with this Court voluntary cases under chapter 11 of title 11 of the Bankruptcy Code. The Debtors’ chapter 11 cases have been consolidated for procedural purposes only and are being jointly administered pursuant to Bankruptcy Rule 1015(b). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

6. On September 17, 2008, the United States Trustee for Region 2 (the “U.S. Trustee”) appointed the statutory committee of unsecured creditors pursuant to section 1102 of the Bankruptcy Code (the “Creditors’ Committee”).

7. On January 19, 2009, the U.S. Trustee appointed Anton R. Valukas as examiner in the above-captioned chapter 11 cases (the “Examiner”) and by order, dated January 20, 2009 [Docket No. 2583], the Court approved the U.S. Trustee’s appointment of the

Examiner. The Examiner filed its report with the Court on March 11, 2010 pursuant to section 1106(b) of the Bankruptcy Code [Docket No. 7531].

8. On January 14, 2010, the Court entered the Procedures Order, which authorizes the Debtors, among other things, to file omnibus objections to up to 500 claims at a time, on various grounds, including those set forth in Bankruptcy Rule 3007(d) and those additional grounds set forth in the Procedures Order.

The Equity Awards Are Not Claims

9. The Debtors continue their review of the claims filed on the claims register in these cases and maintained by the Court-appointed claims agent. As indicated on Exhibit A, certain of the Compensation Claims were improperly filed as secured or general unsecured claims and others were improperly filed as claims having priority pursuant to section 507(a) of the Bankruptcy Code. Each of the Compensation Claims must be reclassified as equity interests.

10. Both the Bankruptcy Rules and the Procedures Order provide grounds to object to the Compensation Claims. Bankruptcy Rule 3007(d)(7) provides that a debtor may file an objection, and join one or more objections in an omnibus objection, if all of the claims “are based solely on the grounds that the claims should be disallowed, in whole or in part, because ... they are interests, rather than claims.” FED. R. BANKR. P. 3007(d). The Procedures Order additionally permits the Debtors to object, on an omnibus basis, to claims that “were incorrectly classified.” Procedures Order at 2.

11. Once objected to, a filed proof of claim is no longer “deemed allowed.” 11 U.S.C. § 502(a) (“A claim or interest, proof of which is filed ... is deemed allowed, unless a party in interest ... objects.”). If an objection refuting at least one of the claim’s essential

allegations is asserted, the claimant has the burden to demonstrate the validity of the claim. *See In re Oneida Ltd.*, 400 B.R. 384, 389 (Bankr. S.D.N.Y. 2009); *In re Adelphia Commc'ns Corp.*, Ch. 11 Case No. 02-41729 (REG), 2007 Bankr. LEXIS 660 at *15 (Bankr. S.D.N.Y. Feb. 20, 2007); *In re Rockefeller Ctr. Props.*, 272 B.R. 524, 539 (Bankr. S.D.N.Y. 2000).

The Compensation Claims Should Be Reclassified as Interests

A. Compensation Claims Are for Equity Securities.

12. Section 501(a) of the Bankruptcy Code provides that a creditor may file a proof of claim and that an equity security holder may file a proof of interest. 11 U.S.C. §501(a). The Bankruptcy Code defines a “claim” as a right to payment. *Id.* at §101(5). The Bankruptcy Code definition of an “equity security,” alternatively, includes a share in a corporation or similar “security,” including “stock,” “treasury stock,” “other claim or interest commonly known as ‘security’,” “certificate of interest or participation in,” and “warrant or right to subscribe to or purchase or sell, a security.” *Id.* §101(16) and 101(49)(A).

13. Courts have interpreted the definition of equity security to include a range of stock-based transactions, including transactions based on a right to acquire stock, such as stock options and stock assignments. *E.g., In re Enron Corp* 341 B.R. 141, 162 (Bankr. S.D.N.Y. 2006) (holding that a phantom stock purchase program where delivery of shares was deferred for tax purposes qualified as a “security” under the Bankruptcy Code); *see also Matter of Baldwin-United Corp.*, 52 B.R. 549, 552 (Bankr. S.D. Ohio 1985) (holding that claims to exercise stock option portion of plan were equity security interest for purposes of determining priority).

14. The Equity Awards provided grantees with a right to acquire common stock in LBHI upon satisfaction of certain conditions precedent, similar to stock options or the

right to exercise stock options. As a result, the Equity Awards fall within the definition of “equity securities” under the Bankruptcy Code. Because each of the Compensation Claims is based on the ownership of the Equity Awards, the Debtors hereby object to reclassify the Compensation Claims as equity interests.

**B. Subordination Provisions Present in Certain of the Agreements
Are Enforceable Pursuant to Bankruptcy Code Section 510(a).**

15. Notwithstanding that the Compensation Claims must be reclassified as equity securities, Agreements governing certain of the Equity Awards (the “Agreements”) provided that, in the event of a bankruptcy of LBHI, all claims arising from, in connection with, or in any way relating to, any failure of LBHI to deliver shares of common stock shall have the same priority as, and no greater priority than, common stock interests in LBHI. These Agreements advised grantees that:

All of [their] claims arising from, in connection with, or in any way relating to, any failure of [LBHI] to deliver to [them], or to a subsidiary for delivery by such subsidiary to [them], shares of Common Stock on the date when such shares are due to be delivered under this Agreement in satisfaction of each Unit granted to you shall be deemed, in the event of a bankruptcy of [LBHI], to be claims for damages arising from the purchase or sale of Common Stock of [LBHI], within the meaning of section 510(b) of the Bankruptcy Code and shall have in such bankruptcy the same priority as, and no greater priority than, common stock interests in [LBHI].

See, e.g., 2003 and 2004 Equity Award Program Agreement, ¶ 10.

16. Section 510(a) of the Bankruptcy Code provides that “[a] subordination agreement is enforceable ... to the same extent that such agreement is enforceable under applicable nonbankruptcy law.” 11 U.S.C. § 510(a). Courts have routinely held that the “enforcement of lawful subordination agreements by Bankruptcy Courts does not offend the policy of equal distribution of the bankrupt’s estate.” *In re Leasing Consultants, Inc.* 2 B.R. 165,

168 (Bankr. N.Y. 1980), *citing In re Credit Industrial Corp.*, 366 F.2d 402, 407 (2d Cir. 1966).

Under general contract law principles, when a subordination agreement is unambiguous, the parties' rights are governed exclusively by that agreement. *In re Leasing Consultants, Inc.*, 2 B.R. at 169.

17. Compensation Claims arising out of agreements with subordination provisions similar to the one referred to above should have the same priority as common equity interests in LBHI, and the Court should reclassify such claims as interests.¹ Holders of such Compensation Claims do not have claims against the Debtors.

C. Bankruptcy Code Section 510(b) Mandates that the Compensation Claims Have the Same Priority as Common Equity of LBHI.

18. Another reason the Compensation Claims must be treated as equity is that section 510(b) of the Bankruptcy Code provides that for purposes of distribution, a claim for damages arising from the purchase or sale of a security shall have the same priority as the security. 11 U.S.C. § 510(b).

19. As noted above, the Equity Awards fall within the Bankruptcy Code definition of "security." In addition, the grant of the Equity Awards constitutes a "purchase or sale" of a security. "Courts interpreting section 510(b) have read the term 'purchase' broadly and have included within its scope grants of stock and stock options as compensation." *In re Wireless Corporation, Inc.* 384 B.R. 713, 718 (Bankr. D. Del. 2008). In *Wireless Corporation*, for example, the Delaware Bankruptcy Court held that the debtor's grant of an equity compensation package, consisting of shares of stock and warrants, constituted a "purchase or

¹ The Bankruptcy Code, Bankruptcy Rules and case law make clear that the Debtors do not need to commence an adversary proceeding either to enforce a subordination agreement pursuant to Bankruptcy Code section 510(a) or to seek to subordinate a Compensation Claim pursuant to Bankruptcy Code section 510(b). FED. R. BANKR. P 7001(8); *In re Lernout & Hauspie Speech Prods., N.V.*, 264 B.R. 336, 339 (Bankr. D. Del. 2001) ("Because Rule 7001(8) appears to limit subordination complaints to allowed claims, the appropriate procedural vehicle for resolution of the issue is a contested matter under Fed. R. Bankr. P. 9104.").

sale” of a security. *See also In re Med Diversified Inc.*, 461 F.3d 251, 256 (2d Cir. 2006)

(holding that claim based on debtor’s failure to issue its common stock to employee in exchange for his stock in another company, allegedly in violation of the parties’ termination agreement, was a claim arising from the purchase or sale of the debtor’s stock.); *In re Touch Am. Holding, Inc.*, 381 B.R. 95, 104 (Bankr. D. Del. 2008) (holding that claims based on stock received as matching contribution under an ERISA plan likewise constituted a “purchase or sale” of securities).

20. In *Enron*, employees filed claims asserting a right to payment for damages in connection with unexercised stock options they had received during the course of their employment. The Court held that it was clear that a stock option was a “security” as that term was defined in section 510(b) of the Bankruptcy Code. *Enron*, 341 B.R. at 150. The Court further found that, “[w]hile it is true that the Claimants did not purchase the stock options on the open market, they nonetheless exchanged value for the options: here, their labor. Such exchange falls under a broad reading of the term ‘purchase.’” *Id.* at 151 (citing *Frankum v. Int’l Wireless Communications Holdings, Inc. (In re Int’l Wireless Communications Holdings, Inc.)*, 279 B.R. 463 (D. Del. 2002) (“That Appellants received the Debtors’ stock as part of a compensation package does not preclude the transfer from being characterized as a purchase/sale of the Debtors’ stock.”)). This was true even where the employees “never elected to receive stock options, but rather were required to take a minimum percentage of their annual bonus in stock option form.” *Id.* The Court found flaws in the employees’ argument that they did not “purchase” the stock options, because there was no voluntary exchange of goods, services or currency:

Although implicit, there is nonetheless a bargain and exchange of value. Here, the exchange is made not at the time of payment but prior to employment. If these Claimants were required to receive a portion of their compensation as options, that was a condition of employment the Claimants willingly accepted in return for their labor. These Claimants, thus, "purchased" the stock options with their labor.

Id.

21. The Court in *Enron* further concluded that "claims alleging the fraudulently induced election of stock options as part of a compensation package are claims 'arising from' the purchase of a security and should thus be subordinated pursuant to section 510(b)." *Id.* "[P]hysical possession of the security is not required for a claim based upon that security to be subordinated." *Id.* at 163 (citing *American Broad. Sys. v. Nugent (In re Betacom of Phoenix, Inc.)*, 240 F.3d 823 at 829-30 (9th Cir. 2001) (finding that "[n]othing in § 510(b)'s text requires a subordinated claimant to be a shareholder.")).

22. Like it did in *Enron*, the Court should find that the Equity Awards in this case are equity interests and the Compensation Claims arise from the purchase and sale of securities. As the Court found in *Enron*, neither the fact that Equity Awards were a form of compensation for services performed, nor the fact that claimants asserting Compensation Claims could not opt to receive compensation in cash in lieu of Equity Awards converts the Compensation Claims into claims for debt. Any portion of a Compensation Claim alleging the claimant was induced to accept or retain its Equity Awards should similarly be subordinated pursuant to section 510(b) of the Bankruptcy Code.

Reservation of Rights

23. The Debtors reserve all their rights to object on any other basis to any Compensation Claim or any portion of any Compensation Claim for which the Court does not grant the relief requested herein.

Notice

24. No trustee has been appointed in these chapter 11 cases. Notice of this Two Hundred and Seventh Omnibus Objection to Claims has been provided to: (i) each claimant listed on Exhibit A; (ii) the U.S. Trustee for Region 2; (iii) the attorneys for the Creditors' Committee; (iv) the Securities and Exchange Commission; (v) the Internal Revenue Service; and (vi) the United States Attorney for the Southern District of New York, in accordance with the Amended Order Pursuant to Section 105(a) of the Bankruptcy Code and Bankruptcy Rules 1015(c) and 9007 Implementing Certain Notice and Case Management Procedures, dated February 13, 2009 [Docket No. 2837] and the Procedures Order. The Debtors submit that such notice is sufficient and no other or further notice need be provided.

25. No previous request for the relief sought herein has been made by the Debtors to this or any other Court.

WHEREFORE the Debtors respectfully request entry of an order granting the relief requested herein and such other and further relief as is just.

Dated: September 15, 2011
New York, New York

/s/ Robert J. Lemons
Robert J. Lemons

WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007

Attorneys for Debtors
and Debtors in Possession

EXHIBIT A

IN RE: LEHMAN BROTHERS HOLDINGS INC. CASE NO: 08-13555 (JMP)

OMNIBUS OBJECTION 207 - EXHIBIT A: RECLASSIFY PROOFS OF CLAIM AS EQUITY INTERESTS

	NAME	CASE NUMBER	DEBTOR NAME	FILED DATE	CLAIM #	TOTAL CLAIM DOLLARS
1	ABRAMS, STANLEY 712 N. CRESCENT DRIVE BEVERLY HILLS, CA 90210	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/18/2009	16132	\$493,339.74
2	ALI, ASGAR 2171 MADISON AVE APT 4C NEW YORK, NY 10037	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/22/2009	27619	Undetermined
3	BAREGGI, MICHELE 18 SEYMOUR WALK LONDON, SW109NF UNITED KINGDOM	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/22/2009	32511	Undetermined
4	BASS, BRADLEY 110 E. DELAWARE PLACE # 702 CHICAGO, IL 60611	08-13555 (JMP)	Lehman Brothers Holdings Inc.	11/09/2009	65217	\$35,270.72
5	BIRD, RICHARD 45 DERWENT ROAD HARPENDEN, AL5 3NY UNITED KINGDOM	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/19/2009	19506	\$61,000.00
6	BRANCATO, JENNIFER 35 N. CHATSWORTH AVE, 1R LARCHMONT, NY 105383	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/22/2009	30417	Undetermined
7	BURKE, JAMES K. 43 ELMWOOD AVENUE RYE, NY 10580	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/11/2009	11510	\$5,000.00
8	BURKE, TIMOTHY A. 149 SPLIT ROCK ROAD SYOSSET, NY 11791	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/22/2009	27925	Undetermined
9	BUTLER-MCLAUGHLIN, CECELIA 2 LANGDON ROAD CARLE PLACE, NY 11514		Lehman No Case Asserted/All Cases Asserted	09/21/2009	21510	Undetermined
10	CASSANOVA, CATRINA 605 THIRD AVENUE, 22ND FLOOR NEW YORK, NY 10158	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/21/2009	25137	Undetermined

IN RE: LEHMAN BROTHERS HOLDINGS INC. CASE NO: 08-13555 (JMP)

OMNIBUS OBJECTION 207 - EXHIBIT A: RECLASSIFY PROOFS OF CLAIM AS EQUITY INTERESTS

	NAME	CASE NUMBER	DEBTOR NAME	FILED DATE	CLAIM #	TOTAL CLAIM DOLLARS
11	CASUPLE, VIRGILIO 57 EDGAR PLACE NUTLEY, NJ 07110		Lehman No Case Asserted/All Cases Asserted	09/22/2009	34326	\$6,184.00
12	CHAN, SHIRLEY 20B DRAGONVIEW COURT 5 KOTEWALL MID-LEVELS, HONG KONG	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/22/2009	32595	Undetermined
13	CINTRON, JACQUELINE 84-01 MAIN ST APT 406 JAMAICA, NY 11435	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/21/2009	25226	\$1,387.00
14	COHEN GUSTAVO SEBASTIAN ORTIZ DE OCAMPO 2655 PISO 7 DTO 1 BUENOS AIRES, 1425 ARGENTINA	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/21/2009	25443	\$6,188.13
15	COLTON, DAVID 345 WASHINGTON AVE GLENCOE, IL 60022-1832	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/21/2009	25073	\$19,956.00
16	DELLARUSSO, RICHARD J. 8 SUNSET ROAD DARIEN, CT 06820	08-13555 (JMP)	Lehman Brothers Holdings Inc.	01/30/2009	4319	\$112,876.55
17	DICENSO, JOSEPH 2251 EISENHOWER AVE APT 710 ALEXANDRIA, VA 22314-6902	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/22/2009	29210	\$10,950.00*
18	DUNKIN, ROBEN L 107 CLARK STREET GLEN RIDGE, NJ 07028	08-13555 (JMP)	Lehman Brothers Holdings Inc.	07/20/2009	5729	Undetermined
19	ERTMANN, JAMES 1003 VINE ST. WINNETKA, IL 60093	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/18/2009	19193	\$133,246.59
20	ESCOBAR JR., CALIXTO M. 84 SHERIDAN AVE. STATEN ISLAND, NY 10305		Lehman No Case Asserted/All Cases Asserted	09/21/2009	24678	\$7,537.76

* - Indicates claim contains unliquidated and/or undetermined amounts

IN RE: LEHMAN BROTHERS HOLDINGS INC. CASE NO: 08-13555 (JMP)

OMNIBUS OBJECTION 207 - EXHIBIT A: RECLASSIFY PROOFS OF CLAIM AS EQUITY INTERESTS

	NAME	CASE NUMBER	DEBTOR NAME	FILED DATE	CLAIM #	TOTAL CLAIM DOLLARS
21	FELDERHOF, STEPHEN 170 HOLLAND PARK AVENUE LONDON, W11 4UH UNITED KINGDOM	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/21/2009	25339	Undetermined
22	FINKEL, SETH J. 6 EAST HILL COURT TENAFLY, NJ 07670	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/18/2009	18067	\$1,409,198.00
23	FLYNN, PATRICK 205 9TH STREET WILMETTE, IL 60091	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/21/2009	24407	\$558,505.00*
24	FRYER, DANIEL J. 3 RIDGEWAY GARDENS ESSEX WESTCLIFF ON SEA, SS08PZ UNITED KINGDOM	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/21/2009	23028	Undetermined
25	GOLDFARB, DAVID 11 CHAUNCEY PLACE WOODBURY, NY 11797	08-13555 (JMP)	Lehman Brothers Holdings Inc.	05/27/2009	4611	\$63,572,514.13
26	GREEN, LOUISE 44 EAST AVENUE MIDDLETOWN, NY 10940	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/16/2009	14391	Undetermined
27	GREEN, LOUISE 44 EAST AVENUE MIDDLETOWN, NY 10940	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/21/2009	24266	Undetermined
28	GREGG, HAWES 1911 RUXTON ROAD RUXTON, MD 21204	08-13555 (JMP)	Lehman Brothers Holdings Inc.	08/10/2009	7797	\$60,464.00
29	HALL, ROOPALI A. 1 VAN RENSSELAER AVE STAMFORD, CT 06902-8018		Lehman No Case Asserted/All Cases Asserted	09/22/2009	30355	\$22,222.00

IN RE: LEHMAN BROTHERS HOLDINGS INC. CASE NO: 08-13555 (JMP)

OMNIBUS OBJECTION 207 - EXHIBIT A: RECLASSIFY PROOFS OF CLAIM AS EQUITY INTERESTS

	NAME	CASE NUMBER	DEBTOR NAME	FILED DATE	CLAIM #	TOTAL CLAIM DOLLARS
30	HARGRAVE, BRIAN 105 LLEWELLYN ROAD MONTCLAIR, NJ 07042		Lehman No Case Asserted/All Cases Asserted	09/22/2009	33155	Undetermined
31	HASHIDA, AKIKO 713 POINCIANA DR GULF BREEZE, FL 32561	08-13555 (JMP)	Lehman Brothers Holdings Inc.	07/16/2009	5421	Undetermined
32	HOM, MICHAEL C. 43 WEST 61ST STREET APT 17K NEW YORK, NY 10023	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/15/2009	12940	\$189,892.00
33	HOOPER, HELEN 1722 EAST 51ST STREET BROOKLYN, NY 11234	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/22/2009	28365	Undetermined
34	IYER, SUBRAMANIAM C/6, KRIPA SADAN, 9TH CENTER ROAD BORIVALI (EAST) MUMBAI, 400066 INDIA	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/21/2009	23575	\$3,196.64
35	JENCKES, GEORGE A., IV 76 SCONSET DR FAIRFIELD, CT 06824-3854		Lehman No Case Asserted/All Cases Asserted	09/21/2009	20300	\$24,719.00
36	JOHNSON, BRIAN A. 888 TOWER ROAD WINNETKA, IL 60093	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/17/2009	15102	\$225,000.00
37	KENG-CHONG, CHEN FLAT B, 11/F GRAND FORTUNE MANSION 1 DAVIES STREET KENNEDY TOWN, HONG KONG	08-13555 (JMP)	Lehman Brothers Holdings Inc.	08/24/2009	9025	Undetermined
38	KILGALLON,JOHNINE 1065 PARK AVE # 16A NEW YORK, NY 101281001		Lehman No Case Asserted/All Cases Asserted	09/21/2009	25172	\$450,000.00

IN RE: LEHMAN BROTHERS HOLDINGS INC. CASE NO: 08-13555 (JMP)

OMNIBUS OBJECTION 207 - EXHIBIT A: RECLASSIFY PROOFS OF CLAIM AS EQUITY INTERESTS

	NAME	CASE NUMBER	DEBTOR NAME	FILED DATE	CLAIM #	TOTAL CLAIM DOLLARS
39	KOTIAN, SURAJ SAINATHWADI CO-OP HSG SOC FLAT NO - 505 5TH FLOOR. ASALPHA VILLAGE GHATKOPAR (W) MUMBAI, 400084 INDIA	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/21/2009	23582	\$3,196.64
40	LANKEN, JONATHAN P 2 BRYANSTON MEWS WEST LONDON, W1H 2DD UNITED KINGDOM		Lehman No Case Asserted/All Cases Asserted	09/22/2009	32239	Undetermined
41	LAWSKY, MICHAEL 17 OAK KNOLL ROAD SUMMIT, NJ 07901	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/21/2009	24670	\$94,482.00
42	LEE, MAN YANG 306 GOLD ST APT 31C BROOKLYN, NY 11201-3051	08-13555 (JMP)	Lehman Brothers Holdings Inc.	07/13/2009	5262	Undetermined
43	LEGOTTE, LEONARD J. 549 RATHBUN AVE STATEN ISLAND, NY 10312		Lehman No Case Asserted/All Cases Asserted	09/22/2009	31267	\$75,454.89
44	LEUNG, PAMELA 7527 137TH AVE SE RENTON, WA 98059-3098	08-13555 (JMP)	Lehman Brothers Holdings Inc.	07/30/2009	6741	\$10,000.00
45	LOWE, TIA GELAINE 88 GREENWICH APT 1023 NEW YORK, NY 10006	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/22/2009	28287	\$39,182.00
46	MALCOLM, ANDREW 23 ZANGWILL ROAD BLACKHEATH, SE3 8EH UNITED KINGDOM		Lehman No Case Asserted/All Cases Asserted	09/22/2009	30704	Undetermined

IN RE: LEHMAN BROTHERS HOLDINGS INC. CASE NO: 08-13555 (JMP)

OMNIBUS OBJECTION 207 - EXHIBIT A: RECLASSIFY PROOFS OF CLAIM AS EQUITY INTERESTS

	NAME	CASE NUMBER	DEBTOR NAME	FILED DATE	CLAIM #	TOTAL CLAIM DOLLARS
47	MARNEY, LESLEY N POPLAR GRANGE 48 CLERKE DRIVE KEMSLEY SITTINGBOURNE, KENT, ME102RY UNITED KINGDOM		Lehman No Case Asserted/All Cases Asserted	09/10/2009	11107	\$21,315.00
48	MCLAUGHLIN, MARY DEIRDRE 84 BASEVI WAY GREENWICH LONDON, SE8 3JS UNITED KINGDOM		Lehman No Case Asserted/All Cases Asserted	09/11/2009	11434	\$24,696.00
49	MODASIA, DIPAK 801 CASCADES TOWER 4 WESTFERRY ROAD LONDON, E14 8JN UNITED KINGDOM	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/21/2009	24585	Undetermined
50	MONTALVO, MIRIAM 1918 KIMBALL STREET BROOKLYN, NY 11234	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/22/2009	30680	Undetermined
51	MURPHY, PATRICIA 71 HAYES STREET GARDEN CITY, NY 11530	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/18/2009	17261	\$24,385.00
52	NORTH-CLAUSS, BRYAN 10 BARCLAY STREET, APT 39D NEW YORK, NY 10007		Lehman No Case Asserted/All Cases Asserted	09/21/2009	20305	\$104,495.42
53	PATANKAR, SAMEER GOKUL NAGAR, OLD AGRA ROAD, OPP. NAUNEET MOTORS, NEAR SHIVSENA OFFICE THANE (W) INDIA		Lehman No Case Asserted/All Cases Asserted	09/21/2009	23578	\$3,196.64
54	POCHINAPEDDI, VENKATA 901 SWALLOW CT. NORTH BRUNSWICK, NJ 08902		Lehman No Case Asserted/All Cases Asserted	09/22/2009	31219	\$35,527.00

IN RE: LEHMAN BROTHERS HOLDINGS INC. CASE NO: 08-13555 (JMP)

OMNIBUS OBJECTION 207 - EXHIBIT A: RECLASSIFY PROOFS OF CLAIM AS EQUITY INTERESTS

	NAME	CASE NUMBER	DEBTOR NAME	FILED DATE	CLAIM #	TOTAL CLAIM DOLLARS
55	PULJIC, GORAN 8 SEARLES RD. DARIEN, CT 06820	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/22/2009	28316	\$3,800,778.00
56	RADICK, JONATHAN 1300 KNOLLWOOD ROAD MOUNTAINSIDE, NJ 07092	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/10/2009	11300	Undetermined
57	REYCROFT, EMILY M. 40 EAST 20TH STREET APARMENT #4 NEW YORK, NY 10003	08-13555 (JMP)	Lehman Brothers Holdings Inc.	08/31/2009	10489	\$1,002.00*
58	RONCAGLIOLO, JACQUELINE S 454 RIVER ROAD APARTMENT G NUTLEY, NJ 07110	08-13555 (JMP)	Lehman Brothers Holdings Inc.	07/14/2009	5326	Undetermined
59	SARODE, SUNIL FLAT NO. 214, 'D' WING, UMIYA COMPLEX GAMESH MANDIR ROAD TITWALA (E) KALYAN, 421605 INDIA	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/21/2009	23577	\$3,196.64
60	SAVILLO, JOSEPHINE M. 34-02 BROOKSIDE ST - FLOOR 2 LITTLE NECK, NY 11363	08-13555 (JMP)	Lehman Brothers Holdings Inc.	08/21/2009	8951	Undetermined
61	SCHWAB, STEVEN B 25 KENT ROAD SCARSDALE, NY 10583		Lehman No Case Asserted/All Cases Asserted	09/11/2009	11540	\$455,210.00
62	SHINDE, SUDARSHAN SUBHASH 43, SUSWAGOTAM NAGAR POSTAL COLONY ROAD, NEAR FINE ARTS SOCIETY CHEMBUR (E) MUMBAI, 400071 INDIA		Lehman No Case Asserted/All Cases Asserted	09/21/2009	23580	\$3,196.64

IN RE: LEHMAN BROTHERS HOLDINGS INC. CASE NO: 08-13555 (JMP)

OMNIBUS OBJECTION 207 - EXHIBIT A: RECLASSIFY PROOFS OF CLAIM AS EQUITY INTERESTS

	NAME	CASE NUMBER	DEBTOR NAME	FILED DATE	CLAIM #	TOTAL CLAIM DOLLARS
63	SHUM, DANIEL T. 11763 E CHARTER OAK DRIVE SCOTTSDALE, AZ 85259	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/17/2009	14958	\$1,005,600.00
64	SIBIRSKI, LINDA J. 2165 BRIGHAM STREET APT 6E BROOKLYN, NY 11229	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/16/2009	13458	Undetermined
65	SIEGEL, NORMAN 550 N. KINGSBURG # RO8 CHICAGO, IL 60654	08-13555 (JMP)	Lehman Brothers Holdings Inc.	11/09/2009	65222	\$960,419.78
66	SINGH, ANIL KUMAR 25 WEST DRIVE SURREY CHEAM, SM2 7NB UNITED KINGDOM	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/22/2009	32064	\$60,000.00*
67	SPERO, CHARLES 555 WEST 59TH ST APT 9E NEW YORK, NY 10019	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/21/2009	23799	Undetermined
68	STEFFENS, EDWARD M. 77 MOTLEY STREET MALVERNE, NY 11565	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/22/2009	31665	\$59,480.00
69	STEVENS, CHRISTIAN E. 2940 ROCKBRIDGE DRIVE HIGHLANDS RANCH, CO 80129	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/21/2009	25431	\$132,944.81
70	SURI, TARVINDER SINGH FLAT NO. 11, SHREE SAI APT. ROAD NO. 27, SHANTI NALAR WAGLE ESTATE THANE, 400604 INDIA	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/21/2009	23576	\$3,196.63

IN RE: LEHMAN BROTHERS HOLDINGS INC. CASE NO: 08-13555 (JMP)

OMNIBUS OBJECTION 207 - EXHIBIT A: RECLASSIFY PROOFS OF CLAIM AS EQUITY INTERESTS

	NAME	CASE NUMBER	DEBTOR NAME	FILED DATE	CLAIM #	TOTAL CLAIM DOLLARS
71	SWEELY, GORDON 56 GILLESPIE AVENUE FAIR HAVEN, NJ 07704		Lehman No Case Asserted/All Cases Asserted	09/22/2009	33156	Undetermined
72	TRAVERSA, ROBERT 85 RIVER ST SLEEPY HOLLOW, NY 10591-2415		Lehman No Case Asserted/All Cases Asserted	08/31/2009	9879	\$51,559.00
73	TURNBULL, NIGINA 221 WEST 105TH STREET, APT 3FE NEW YORK, NY 10025	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/21/2009	26063	Undetermined
74	VALECCE, JOHN 3 CARRIAGE HOUSE LANE MAMARONECK, NY 10543		Lehman No Case Asserted/All Cases Asserted	09/22/2009	31902	\$240,597.39
75	WAIRKAR, DINESH VISHWANATH A 503, PLOT NO. 10, SAI PREM APT. SECTION 8, CHARKOP KANDIVALI (WEST) MUMBAI, 400067 INDIA		Lehman No Case Asserted/All Cases Asserted	09/21/2009	23579	\$3,196.64
76	WANG, YULAN MORRIS TPKE SHORT HILLS, NJ 07078	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/21/2009	25072	\$43,041.00
77	WEINREICH, RUTH 759 HAMPTON ROAD WOODMERE, NY 11598		Lehman No Case Asserted/All Cases Asserted	09/16/2009	13327	Undetermined
78	WIDEMAN, ANDREW 2801 CLINTON WAY DENVER, CO 80238		Lehman No Case Asserted/All Cases Asserted	09/21/2009	22286	\$151,021.61
79	WILSON, KELLY WEINBERGER 349 10 FOREST LANE SOLOM, OH 44139		Lehman No Case Asserted/All Cases Asserted	09/21/2009	25129	\$20,000.00

IN RE: LEHMAN BROTHERS HOLDINGS INC. CASE NO: 08-13555 (JMP)

OMNIBUS OBJECTION 207 - EXHIBIT A: RECLASSIFY PROOFS OF CLAIM AS EQUITY INTERESTS

	NAME	CASE NUMBER	DEBTOR NAME	FILED DATE	CLAIM #	TOTAL CLAIM DOLLARS
80	WINCHESTER, JUDITH A. 3929 IVY TERRACE COURT, NW WASHINGTON, DC 20007	08-13555 (JMP)	Lehman Brothers Holdings Inc.	09/18/2009	19298	Undetermined
81	WREN, ALEX H 117 FERNDAL RD EASTON, CT 06612-2008	08-13555 (JMP)	Lehman Brothers Holdings Inc.	07/24/2009	6130	Undetermined
TOTAL						\$74,839,017.99

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X	
In re	: Chapter 11 Case No.
	:
LEHMAN BROTHERS HOLDINGS INC., <i>et al.</i> ,	: 08-13555 (JMP)
	:
Debtors.	: (Jointly Administered)
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**ORDER GRANTING DEBTORS'
TWO HUNDRED AND SEVENTH OMNIBUS OBJECTION TO
CLAIMS (TO RECLASSIFY PROOFS OF CLAIM AS EQUITY INTERESTS)**

Upon the two hundred and seventh omnibus objection to claims, dated September 15, 2011 (the “Two Hundred and Seventh Omnibus Objection to Claims”),¹ of Lehman Brothers Holdings Inc. and its affiliated debtors in the above-referenced chapter 11 cases, as debtors and debtors in possession, in accordance with Rule 3007(d) of the Federal Rules of Bankruptcy Procedure and this Court’s order approving procedures for the filing of omnibus objections to proofs of claim [Docket No. 6664], seeking to reclassify Compensation Claims as common equity interests in the LBHI, all as more fully described in the Two Hundred and Seventh Omnibus Objection to Claims; and due and proper notice of the Two Hundred and Seventh Omnibus Objection to Claims having been provided to: (i) each claimant listed on Exhibit A; (ii) the U.S. Trustee; (iii) the attorneys for the Creditors’ Committee; (iv) the Securities and Exchange Commission; (v) the Internal Revenue Service; and (vi) the United States Attorney for the Southern District of New York, and (vii) all other parties entitled to notice in accordance with the procedures set forth in the second amended order entered on June 17, 2010 governing case management and administrative procedures for these cases [Docket No. 9635]; and it appearing that no other or further notice need be provided; and the Court having found and

¹ Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Two Hundred and Seventh Omnibus Objection to Claims.

determined that the relief requested in the Two Hundred and Seventh Omnibus Objection to Claims is in the best interests of the Debtors, their estates, creditors, and all parties in interest and that the legal and factual bases set forth in the Two Hundred and Seventh Omnibus Objection to Claims establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefore, it is

ORDERED that the relief requested in the Two Hundred and Seventh Omnibus Objection to Claims is granted to the extent provided herein; and it is further

ORDERED that the claims listed on Exhibit 1 annexed hereto have the same priority as, and no greater priority than, common stock interests in LBHI; and it is further

ORDERED that the Debtors' Court-appointed claims agent is authorized to modify the claims register to reflect this order; and it is further

ORDERED that this Order has no res judicata, estoppel, or other effect on the validity, allowance, or disallowance of, and all rights to object and defend on any basis are expressly reserved with respect to, any claim listed on Exhibit A annexed to the Two Hundred and Seventh Omnibus Objection to Claims; and it is further

ORDERED that this Court shall retain jurisdiction to hear and determine all matters arising from or related to this Order.

Dated: _____, 2011
New York, New York

UNITED STATES BANKRUPTCY JUDGE